



GREECE
Law Offices of
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Country Report

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1. Legislation	
Topic:	LAW NO. 3043/2002 (Liability of the seller for real defects and lack of agreed properties)
Who:	The Greek Parliament
When:	21-8-2002 (Published in the Official Gazette.)
Where:	Greece
What happened:	<ul style="list-style-type: none">• Articles 534 to 527 and 540 to 561 of the Civil Code have been replaced by Article 1 of Law 3043/2002. In brief the amendments are as follows:<ol style="list-style-type: none">1. Article 534: “The seller must deliver the good having the agreed properties and without any real defects”.<ul style="list-style-type: none">- The liability of the seller is composed at the time of the delivery. The definition “agreed properties” is added to the definition “real defects”.2. The reasons of the non-performance of the obligation of the seller and in particular the cases in which the good, which is delivered to the buyer does not meet the agreement are specified. -Article 535.3. The defective installation by the seller of the good as part of the agreement is provided as evidence of the fact that the good is not in conformity with the agreement– Article 536.4. The liability of the seller for the lack of the agreed properties of the good and for real defects at the time of the transition of the risk to the buyer is being composed. – Article 537.

5. The rights of the buyer in the cases of the seller's liability for a real defect or for lack of an agreed property are being specified – Article 540/541.
6. The right of the buyer for compensation in addition to the rights conferred by Article 540 in the case of lack of an agreed property of the good or in case of the delivery of a defective good, which is due to the seller's fault is being specified – Article 543.
7. The reason of the non-liability of the seller for compensation for lack of an agreed property is being specified. – Article 544
8. The meaning of the unconditional receipt is being defined. -Article 545.
9. The rights of the seller and the prerequisites of their exercise are being specified. – Article 546
10. The obligations of the buyer and the seller in the case of rescission of the agreement or a replacement of the good due to a real defect or lack of an agreed property are being specified. – Article 547
11. The rights of the buyer (1) in case of a destruction or deterioration of the good (a) due to a defect – Article 548, (b) by an accidental event (Article 549), (2) due to a transformation or sale by the seller, are being specified – Article 549.
12. The matters relating to the exercise of the right of replacement or rescission in the case of the sale of more than one goods, are being regulated – Article 551/552
13. The exercise of the right of replacement and the right to a reduction of the purchase price in the case of a sale which involves more than one sellers or buyers, is being regulated – Article 553.
14. The issue of prescription (time of commencement) of the rights of the buyer due to a real defect or lack of an agreed property
 - (a) In the case of real estates and chattels. – Article 554
 - (b) In the case of conducting conservatory evidence – Article 555
 - (c) In the case of an agreement providing for a time limit of the liability of the seller for a defect or lack of an agreed property. – Article 556
15. The invocation of the prescription referred to in the previous articles by the seller in case of the fraudulent concealment or suppression of the defect or the lack of the agreed property, is excluded. – Article 557.
16. The possibility of the exercise of the rights of the seller with an objection is being provided. – Article 558.
17. The rights of the buyer arising from the guarantee statement, against the seller or against a third party who gave a guarantee for the sold good, are being specified -

	<p>Article 559.</p> <p>18. The time of commencement of the prescription in the case of successive sales and of the liability of the final seller due to a real defect or lack of an agreed property are being specified. –Article 560.</p> <p>- Article 3 of Law 3043/2002 sets the new title “Protection of consumer goods and guarantees” to Article 5 of Law 2251/1994 – Consumer Protection, and replaces paragraphs 3 to 5 as follows:</p> <p>- Paragraph 3 regulates various guarantee issues (form, object, content, term, special regulations for specialized goods)</p> <p>- Paragraph 4: renewal and validity of the guarantee</p> <p>- Paragraph 5: Invalidity of the consumer’s waiver of his protection according to the articles relating to the “Sale of consumer goods and guarantees”. Jurisdiction for a dispute arising from the sale of consumer goods and brought before the Greek courts.</p>
Comment:	<p>The provisions of the present term implement the provisions of the Directive 1999/44/EC of the European Parliament and of the Council of the 25th May 1999 relating to some aspects of the sale of and the guarantees for consumer goods into the Greek legislation.</p>

2. Legislation	
Topic:	LAW NO. 3037/2002: Prohibition of gambling
Who:	The Greek Parliament
When:	30.07.2002 (Published in the official Gazette)
Where:	Greece
What happened:	<p>As mentioned in the explanatory Declaration of the Ministry of Finance (23.09.2002) with regard to Law 3037 relating to gambling, the purpose of Law 3037/2002 is the effective elimination of the illegal gambling and the illegal proceeds from such gambling and consequently the solving of the major social problems created by such gambling.</p> <p>Within the framework of this law, the operation and installation of gambling machines as defined in Article 1 of the Law including computers, in public places such as hotels, coffee shops, premises of registered associations of any nature and in any other public or private place, is prohibited.</p>

	<p>Indicatively Article 1 defines as:</p> <ol style="list-style-type: none"> 1. Electronic game is the game, the operation of which requires (a) the existence of electrical supporting mechanisms and (b) in addition to the supporting electrical and other mechanisms, the existence and operation of a software program is also required. 2. An electro-mechanically operated game is the game, the conducting of which requires the existence of electrical supporting mechanisms as well as the contribution of muscular strength by the player. 3. In the case of games, which are conducted mechanically only the operation of recreational technical games, as defined in the previous article, is permitted. In the case of such games the conclusion of a bet between any persons or the attribution of any financial profit of any kind to the player is not permitted. <p>Furthermore, according to Article 3 the installation and operation of computers in any premises, which operate as internet services providers does not fall within the abovementioned prohibition. However the conducting of a game on such computers, irrespective of the way of conduct, is prohibited. For the operation of an undertaking providing internet services, a special permission by the municipality or the community in the region of which the undertaking is situated and in the case that this is operated on a vessel, by the Port Authority of the starting port</p>
<p>Comment:</p>	<p>There have already been some problems in the application of the provisions of this law due to the fact that in accordance with their interpretation, even the mechanisms or/and programs with which such games are conducted are considered as illegal and any persons who go in for such games even with no financial profit of any kind for them or any other third parties, are considered punishable.</p> <p>The Ministry of Finance in an announcement clarifies that the production, import, distribution and trading of the mechanisms and/or programs with which such games are conducted is permitted. The installation and conducting of games in the places which are exclusively used as residence or living premises is permitted, provided that there is no financial benefit of any kind for the players or any third parties. In additional on an analogous interpretation, the installation and conducting of games in public and private places where an activity, completely irrelevant to the provision of services of the conducting of games is being carried out, is also permitted, provided that there is no financial profit of any kind either in favour of the players or in favour of any third parties.</p>

3. Legislation

Topic:	PRESIDENTIAL DECREE 161/2002
When:	26.06.2002 (published in the Official Gazette)
Where:	Greece
What happened:	The purpose of the Presidential Decree No. 161/2002 is the adaptation of the Presidential Decree 259/1997 “Provision for the application of the Hague Arrangement for the international submission of industrial designs and patterns” which was ratified by Law 2417/1996 and the provisions relating to the national protection title.

4. Topic:	DECISION 1119/2002 OF THE ATHENS MULTIMEMBER COURT OF FIRST INSTANCE COURT: Consumer protection. Collective action by the Consumers Association against the Banks. Abusive provisions in housing loan agreements.
Who:	Athens Multimember Court of First Instance.
When:	10.07.2002 (publication of the decision)
Where:	Athens
What happened:	<p>The Association under the name “CONSUMERS ASSOCIATION-THE QUALITY OF LIFE” filed a collective action against the “COMMERCIAL BANK OF GREECE S.A.” one of the biggest and oldest banks of Greece, on the basis that within the framework of its activities as suppliers, grants housing loans to consumers for the purchase, construction or repair of houses, following the signing of the relevant agreements, concluded with the consumers which include, as specifically set out in the action, abusive and illegal general terms of transactions. Furthermore, the defendant Bank, on the drafting of the housing loan agreements collected from the borrowing parties the expenses of the technical and legal support as well as the expenses of the preparation of the house valuation report, for the purchase, repair or construction of which the loan was granted, without giving to the borrowers the respective pay-in slips.</p> <p>The Court taking into consideration Law 2251/1994 (Consumer Protection) and in particular article 2 – General Terms of Transactions – prohibited the defendant bank from setting forth and use in the housing loan agreements with the consumers – customers the following general terms of transactions: (1) the oral General Term of Transactions which provides for (a) the collection by the bank of financing charges amounting to 1% on the amount of the granted loan” (b) the collection by the bank of a “file commission”, (2) the General Term of Transactions included in the loan agreement which provides (a) for the charging of the maximum limit of the interest rate percentage with the contribution of Law 128/1975, amounting to 0,12%, (b) for the change of the interest rate (c) to the extent that it provides that the payments of the debtors to the Bank against the loan are charged to the interest on commission and to the interest on</p>

	<p>the said interest (commission), (d) which provides that “in case of a late payment of any installment or part of any installment or of the interest or costs, the Bank has the right to terminate the agreement and to request by any legal means the total amount of the outstanding loan amount together with the applicable default interest until the date of full payment”, (e) to the extent that it provides that the guarantor declares that he waives the benefits and the objections of articles 862 and 868 of the Civil Code, (f) to the extent that it provides that “for this loan the Bank shall keep an account in its books, in which the commissions shall be entered in the debit column and the payments of the debtor in the credit column, which are charged to the commissions as well as that an extract from the books of the bank which shall show the aforesaid account it is agreed that it will constitute full proof of the Bank’s claim against the debtor” (3) the General Term of Transactions, which is included in the Annex of the housing loan agreements in dispute to the extent that it provides with regard to the early repayment of the loan that “the debtor may pay in advance the whole or part of the loan capital, provided that there is no default loan, on the condition that he pays to the Bank a compensation as follows: if the early payment is effected within the first year and provided that the debtor has chosen a flexible interest rate, an amount equal to 2,5% on the loan capital which is paid earlier.</p> <p>According to the same decision any violation of the prohibitive use of the aforesaid general terms of transactions of the housing loan agreements in dispute may be punished with a fine of 3.000 Euros. Furthermore it awarded a compensation amounting to 15.000 Euros for the moral damage, which the consumer public incurs as a result of the abusive behavior of the Bank.</p>
<p>Comment:</p>	<p>This decision constitutes one of the most important decisions of the current year relating to the protection of the consumers and definitely shall form the basis for further actions provided that most of the Greek banks, if not all of them, continue to grant loans on the same abusive terms to the detriment of the borrowers – consumers, taking advantage of the monetary needs of their customers and the lack of legal knowledge.</p>